

MEMORANDUM

TO: House Republicans FROM: Kevin McCarthy DATE: October 22, 2014

SUBJECT: Government Competency

"Sincerity and competence is a strong combination. In politics, it is everything." — Peggy Noonan

Ronald Reagan joked "in the Soviet Union automobiles were mainly owned by elite bureaucrats. For average citizens it could take an average of 10 years to get a car, you had to file paperwork with the government...and you had to pay in advance! So one day a man did this and the dealer said, 'okay in 10 years come get your car.' 'Morning or afternoon?' the man asked. 'Well what difference does it make?' asked the dealer. The man replied, 'the plumber is coming in the morning.'" Today, Reagan's quip could be an apt description of dealing with the federal government. Consider the following:

- Last month, the FDA finally approved the use of a second 3-D imaging system, which can improve the detection of breast cancer in women. Multiple 3-D imaging systems have been used outside the U.S. for years. The lack of access to multiple systems in the U.S. has meant fewer diagnoses and higher costs. (LINK, LINK)
- A non-partisan study last year found that the average government processing time for an
 interstate natural gas pipeline from pre-filing to certification was 558 days. The government's
 failure to approve energy infrastructure projects in a timely fashion means higher energy prices
 for families and businesses. (LINK)
- In August of this year, an individual requesting a hearing to review a decision made by the Social Security Administration regarding their eligibility for benefits faced an average wait time of 7 to 22 months (depending on where in the country they live). (LINK)
- Before Congress enacted reforms earlier this year, it could take from 10 to 15 years for the Corps of Engineers just to complete a feasibility study for a flood control or navigation project. (LINK)
- It can take more than a decade to acquire all the government permits for a mineral production project. According to one report, the United States currently ranks last, along with Papua New Guinea, in permitting delays out of the twenty-five major mining countries. (LINK)
- A recent non-partisan study found that nearly half of the Social Security Administration's scheduled continuing disability reviews for children with mental impairments were overdue, and an estimated 205,000 were overdue by more than 3 years. (LINK)

Every week seems to bring a new revelation of government agencies failing to accomplish their core functions. The Veterans Administration for years did not treat patients in a timely manner and covered up the backlogs; the IRS did not adequately preserve basic records; the Administration spent more than \$2.1 billion on a broken and unsecure website to facilitate a law that Americans don't like; the Secret Service failed to protect the White House; the government had a failed strategy to confront Ebola; and

on foreign policy, nobody thinks America is safer or stronger than we were six years ago. The list goes on and on.

The recent blunders and scandals are not just the product of failed policy, but represent serious management failures by the President and his Administration.

Some of these problems cannot be fully addressed without a change of Administration. However, the bullets above detail many government failures that Congress can fix, even if they don't make front page headlines.

It is important to emphasize that we want our government to be competent not just for competency sake. Rather, the government's role in our lives must be measured, limited in its ambitions, constitutionally based, and focused on the big things that only governments can address. Unfortunately, the federal government today interferes too often in too many aspects of our daily lives, both big and small.

Restoring competency in government requires both shrinking government to its appropriate scope and mission and reforming how government operates in its core sphere.

Inefficient, ineffective, and incompetent federal agencies along with failed government policies have real world consequences. They hurt economic growth and job creation. Restoring economic growth and job creation will be the central policy goal of the next Congress and restoring competence in government will be part of that effort. The inability of the government to accomplish its most basic tasks has eroded the public's trust in government, as polls have repeatedly shown. Worse, throughout the country there is an emerging sense of resignation that our great country is on the decline.

We must work to end this cycle of failings and make government functional again. Building off our progress in the 2012 highway bill and WRRDA this year, a portion of our 2015 legislative agenda will focus on reforming and streamlining federal agencies so government works as it should.

The House has already passed energy legislation to improve the permitting process for pipelines, and with a new majority, I am confident the bill won't be ignored in the Senate. The same is true for reforms we passed for federal mining permits and FDA reforms that the Energy and Commerce Committee has already begun working on.

While individual parts of our agenda may not grab headlines, we must make government work if we are to promote a growing economy that brings stability and greater opportunity for all Americans.

To be successful, we need every member and every committee to participate in this grand and ongoing project of government reform. In the coming weeks, please take a moment and think about areas of government reform you would like to focus on during the next Congress. Working with our committees, we will be formulating the components of this reform initiative as we put together the legislative agenda for 2015.

But beyond reforming agencies, we must legislate differently in order to restore trust in government. When we took the majority in 2011, we introduced greater transparency and accountability to the legislative process. For example, we ended the practice of approving "such sums" authorizations where legislation would authorize new spending without actually specifying the amount to be spent.

I am in the process of reviewing and updating these protocols (LINK) for the new Congress, and already have a few ideas. One reform I would like to include is sunsetting new agency reports. Different provisions added to our laws over the years has resulted in a legal requirement that 466 different agencies and non-profits submit over 4,200 different reports to Congress this year. The annual number of reports demanded by law increased nearly 25 percent in the past 25 years. Many, like the annual "Report to Congress on Dog and Cat Fur Protection," are no longer relevant. However, absent Congressional action, agencies and non-profits must still submit these reports. We can save taxpayer money and thousands of hours of time by sunsetting these requirements.

I would also like to work with the committees to include basic regulatory reforms in any legislation that authorizes or requires new regulations. As you know, we have passed a number of government-wide reforms to the regulatory process, such as increasing public input in the regulatory process, requiring agencies to adopt the least costly proposal, and requiring regulators to limit the impact of regulations on small businesses. Unfortunately, these bills have not advanced in the Senate. Yet, there is no reason we cannot work towards implementing these reforms on an agency by agency or program by program basis.

Government competence requires collaboration, which is why I want to hear from you as to any ideas you may have on how we proceed to rebuild trust in government. Specifically, if you have any legislative ideas or process reforms you would like considered as we formulate next year's legislative agenda and revise on our internal protocols, please email or call me or have your staff reach out to mine.

I look forward to seeing you in November and, as always, please do not hesitate to contact me if I can be of any assistance.

Finally, congratulations to James Lankford for being the first to correctly identify Statuary Hall as the room in which the British started the fire that destroyed most of the Capitol on August 24, 1814. This month's trivia question:

In 1789, Congress sent twelve proposed Constitutional amendments to the states for ratification. By December of 1791, a sufficient number of states had ratified amendments three through twelve and they became our Bill of Rights. In 1992, with the vote of Michigan, the second of the original twelve amendments was ratified and became our 27th Amendment.

What is the remaining unratified amendment and were it to be ratified today, what would be the impact on Congress?